31 March 1965

## MEMORANDUM FOR THE RECORD

SUBJECT: Meeting between the Secretary of Defense and the Director of Central Intelligence on the National Reconnaissance Office (NRO)

- 1. Mr. McCone called on Secretary McNamara in the Secretary of Defense's office at 1400 hours on 31 March to discuss the NRO. Also present were Mr. Vance and Mr. Bross.
- 2. After a short discussion of the present status of the SST Mr. McCone opened the discussion of the NRO with a summary of the memoranthum which had been prepared on the subject which Mr. McNamara said he had not had time to read. Mr. McCone reviewed the various alternatives and said that the organization represented on the organizational chart which had been prepared for consideration was about the only arrangement which seemed to provide for CIA participation in the program and also ensured coordination of the program and centralized authority over the launching, inflight and recovery aspects of satellite missions. Mr. McNamara asked whether consideration had been given to an arrangement under which the role of CIA (and the Air Force - ?) would be limited to conceptual and design studies and all development and procurement functions would be centralized in a single component (presumably under the DOD). He used the U-2 program as an example and said that he saw no reason why it had been necessary for CIA to continue to be responsible for the production of vehicles once the feasibility of the design had been accepted. Mr. McCone challenged this statement very strongly, enumerating the various improvements which had taken place in the U-2 over the years as a direct result of CIA initiative. He contrasted progress in the U-2 program under CIA control with the fact that until recently the

HANDLE VIA BYEMAN CONTROL SYSTEM ONLY

BYE No. 4566-65 Copy No. 2 of 5

Air Force had been content to operate the U-2 as originally designed. Such modifications as had been accomplished in U-2 aircraft under Air Force control had come as a direct result of Mr. McNamara's personal intervention.

- 3. Mr. Vance then said that it might be helpful for him to identify the areas of concern which he had with the proposed organizational charts. These included the role of the SRPC; the comparative lack of authority of the DNRO, at least as regards elements of CIA; the heavy burden placed on the Executive Committee; and finally the difficulties suggested by the interface between the agency responsible for the development of payloads (as we had defined payloads) and the agency responsible for the assembly. launchings, etc. Mr. McNamara intervened at this point to say that he had no trouble with the SRPC or that portion of the chart which related to the provision of guidance relating to intelligence targets and requirements. He also expressed approval of the concept of an Executive Committee. He and the Director both agreed that there should also be provision for outside advisors through a scientific advisory committee or some similar organization. Mr. Vance agreed with the Secretary of Defense. He said that Dr. Fubini had strong reservations about the SRPC but that he (Mr. Vance) was not impressed with the validity of these reservations. Mr. McNamara said that his trouble focused exclusively on the difficulties which he envisioned in having two or more agencies involved in the development and procurement of large components of a space program. He thought that this might be needlessly duplicative and inefficient. He was also worried about the problems posed by the interface between the launching authority and the payload developer. Mr. Vance referred to the Defense Department problems with the ADVENT program (a communications satellite program in which the Army had been responsible for the payload and the Air Force for the booster).
- 4. Mr. McCone spoke of the necessity of preserving the CIA competence and imagination and said that he thought it would

HANDLE VIA BYEMAN CONTROL SYSTEM ONLY

BYE - 4566-65

. 2 .

be very difficult to hold a staff of any caliber together if their responsibility were relegated to purely conceptual contributions. He also referred to the necessity of continuity of control over the development of a system in order to ensure its improvement, using the CORONA experience as an example. Mr. McNamara used ARPA as an example of the contribution which could reasonably be expected from scientists and technicians who are divorced from responsibility of production and procurement. Mr. McCone doubted the validity of this analogy, pointing out that ARPA functions as an integral component of the Defense Department. In the case of CIA, a purely conceptual role would pretty well eliminate any leverage over contractors. Mr. McNamara recognized that there was some force in the argument that contractors would not respond very energetically to proposals for design studies which were not backed up with some assurance of a development and production commitment.

- 5. Mr. Vance suggested that the proposed arrangement would give CIA responsibilities beyond those inherent in the present CORONA program. He seemed to feel CIA was not responsible for the space vehicle in the present arrangement. We explained that our proposals for the future organization were based very largely on the arrangements in effect for the production and operation of CORONA vehicles in the past. CIA is of course responsible for the design and procurement of the entire space vehicle (except the agena).
- 6. Mr. McNamara said that he would like to think further about this proposal. Mr. McCone pointed out that we had been negotiating for a very long time. Mr. McNamara said that he had only focused on the problem in the last two or three days. Mr. McCone said that he would be leaving shortly and wanted a decision prior to his departure. He said that he felt very strongly about the necessity of CIA's participation in the development program. Mr. McNamara undertook to develop a counter-proposal which Mr. Vance promised to have ready for consideration on 6 April.

HANDLE VIA BYEMAN CONTROL SYSTEM ONLY

BYE - 4566-65

7. Mr. McNamara had to keep another appointment and the conversation continued for another twenty minutes with Mr. Vance. He reaffirmed his agreement to the SRPC aspect of the chart and disassociated himself from Dr. Fubini's concern on this point. Mr. McCone stressed the vital importance of continuing contribution from CIA scientists and technicians. He referred to the gratification expressed by such individuals as Dr. Killian, Dr. Land, Dr. Purcell and others with his success in building up the competence of the Agency in the scientific field which these individuals characterized as his greatest single contribution to American intelligence. It was recognized that it would be necessary to pay a certain price, in terms of organizational tidiness, in order to retain the active participation of the CIA scientific community. There was some discussion of Mr. Vance's reservations about the adequacy of the authority of the DNRO. The Director cond uded the meeting by saying that he would need the chart in connection with his appearance before the PFIAB the following day and undertook to return it for Mr. Vance's use over the weekend. (In the meantime, a photograph of the chart has been sent to Mr. Vance's office for his immediate use.)

Ms/ John A. Bross

JOHN A. BROSS D/DCI/NIPE

Distribution:

Cy No. 1 - DCI

2 - DDCI

3 - DDS&T

4 - D/DCI/NIPE

HANDLE VIA BYEMAN CONTROL SYSTEM ONLY

BYE - 4566 -65

